

806 KAR 17:180. Standard health benefit plan.

RELATES TO: KRS 304.17A-080, 304.17A-250

STATUTORY AUTHORITY: KRS 304.2-110(1), 304.17A-250(1)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110(1) authorizes the Commissioner of Insurance to promulgate administrative regulations necessary for or as an aid to the effectuation of any provisions of the Kentucky Insurance Code as defined in KRS 304.1-010. KRS 304.17A-250(1) requires the Commissioner of Insurance to define by administrative regulation one (1) standard health benefit plan. This administrative regulation establishes one (1) standard health benefit plan that may be offered by an insurer in the individual and small group markets and establishes procedures for modifications to the standard health benefit plan.

Section 1. Definitions. (1) "Department" is defined by KRS 304.1-050(2).

(2) "Health Insurance Advisory Council" means the body established in accordance with KRS 304.17A-080.

(3) "Standard health benefit plan" means the format, cost-sharing levels, definitions, benefits, exclusions, and supplemental benefit riders:

(a) Established by the department in accordance with KRS 304.17A-250 and any other health insurance benefit mandated by the General Assembly; and

(b) Included in the Kentucky Standard Health Benefit Plan, HIPMC-SP1.

Section 2. Modification Process. (1) The standard health benefit plan shall remain in effect until the plan or any form is modified in accordance with the procedures established by this section.

(2) The standard health benefit plan may be modified each year and each modification shall apply to each policy or certificate issued or renewed on or after July 15.

(3) A person wishing to make a recommendation for modification of the standard health benefit plan shall:

(a) Submit the recommendation, in writing, to the Kentucky Department of Insurance, Health and Life Division, by May 1 of the year preceding the year in which each modification is recommended for implementation;

(b) Explain the need for each recommended modification; and

(c) Provide a statement regarding the cost effect of each recommended modification.

(4) Prior to July 1 of each year:

(a) The department shall present each recommendation for modification received pursuant to subsection (3) of this section to the Health Insurance Advisory Council for consideration;

(b) The Health Insurance Advisory Council shall review and discuss each recommendation for modification of the standard health benefit plan in accordance with KRS 304.17A-080(3);

(c) The Health Insurance Advisory Council shall make a final recommendation for modification of the standard health benefit plan based on the recommendations presented by the department pursuant to paragraph (a) of this subsection; and

(d) After considering the final recommendation for modification from the Health Insurance Advisory Council, the department shall either accept or decline, in writing, to modify the standard health benefit plan.

(5) Each insurer issuing, delivering, or renewing a standard health benefit plan shall:

(a) Implement each modification to the standard health benefit plan prescribed by the department; and

(b) Amend each policy form and rate filing to include modifications to the standard health benefit plan.

Section 3. Incorporation by Reference. (1) "The Kentucky Standard Health Benefit Plan, HIPMC-SP1", (5/2011) is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Department of Insurance, 215 West Main Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on the department's Web site at <http://insurance.ky.gov>. (25 Ky.R. 961; Am. 1400; eff. 1-19-99; 27 Ky.R. 2235; 2780; eff. 4-9-2001; 28 Ky.R. 1227; 1648; eff. 1-14-2002; 29 Ky.R. 1373; 1803; eff. 1-16-2003; 30 Ky.R. 432; 1580; eff. 1-5-04; 31 Ky.R. 433; 707; eff. 11-5-04; 33 Ky.R. 564; 1325; eff. 12-1-06; 34 Ky.R. 650; 1507; eff. 2-1-2008; 35 Ky.R. 407; eff. 10-31-08; 37 Ky.R. 500; eff. 11-5-2010; 38 Ky.R. 128; eff. 10-7-11; Crt eff. 2-26-2020.)